February 20, 2004

WASHINGTON STATE LABOR COUNCIL ATTN: DIANE MCDANIEL 314 FIRST AVENUE WEST SEATTLE WA 98119

Subject: Complaint filed against Washington Affordable Housing Council-PDC Case No. 04-301

Dear Ms. McDaniel:

The Public Disclosure Commission staff has completed its investigation of your complaint received October 28, 2003, alleging that the Washington Affordable Housing Council (WAHC), a political committee, violated RCW 42.17 by receiving contributions in excess of the statutory limit and by failing to file a special report as required.

Your complaint was reviewed in light of the following statutes:

RCW 42.17.105 prohibits any person from making, or a candidate or political committee from accepting from any one person, contributions that in the aggregate exceed \$5,000 during the 21 days before a general election. In addition, the statute also requires political committees that receive contributions of \$1,000 or more during the 21 days before a general election, to file a Last Minute Contribution report (LMC) within 48 hours of receipt.

RCW 42.17.020(14) states that a contribution does not include a contribution that is returned within five days of receipt.

You alleged that the WAHC violated RCW 42.17.105 by receiving contributions that exceeded \$5,000 during the 21-day period preceding the 2003 general election (October 14, 2003 – November 3, 2003), and by failing to file an LMC report within 48 hours of receiving contributions of \$1,000 or more during the 21 days before the 2003 general election.

We found that:

Diane McDaniel PDC Case No. 04-301 Page - 2 –

- On October 17, 2003, the Affordable Housing Council (AHC) filed an LMC Report disclosing a \$23,857.50 contribution to the WAHC, the state political committee of the Building Industry Association of Washington that was made on October 16, 2003.
- On October 21, 2003, the Pierce County Affordable Housing Council (PCAHC) filed an LMC report disclosing a \$6,172.50 contribution made on October 23, 2003, to the WAHC.
- Both the \$23,857.50 contribution from the AHC and the \$6,172.50 contribution from the PCAHC were presented to the WAHC at the Building Industry Association of Washington's Fall Board Meeting on October 23, 2003.
- The WAHC checked with the PDC after receiving the two contributions, and based upon that conversation, did not deposit the contributions. The AHC and the PCAHC contributions were promptly returned by the WAHC and the checks were voided. In addition, the AHC and the PCAHC both submitted amended reports disclosing the returning of the contributions to the WAHC.

The WAHC promptly returned the contributions to the AHC and the PCAHC within five days of receipt in accordance with RCW 42.17.020(14). Thus, no contributions were made by the AHC and the PCAHC or received by the WAHC. Since no contributions were considered received by the WAHC, no LMC reports were required to be filed.

After a careful review of the alleged violations and relevant facts, we have concluded our investigation and, with the concurrence of the Chair of the Public Disclosure Commission, I am dismissing your complaint against the Washington Affordable Housing Council.

If you have questions, please contact Phil Stutzman, Director of Compliance, at (360) 664-8853 or toll free at 1-877-601-2828.

Sincerely,

Vicki Rippie Executive Director

c: Washington Affordable Housing Council